



BEFORE THE ARIZONA CORPORATION COMMISSION RECEIVED

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IN THE MATTER OF THE APPLICATION OF ALLTEL COMMUNICATIONS, INC. FOR **DESIGNATION AS AN ELIGIBLE** TELECOMMUNICATIONS CARRIER PURSUANT TO SECTION 214(e)(2) OF THE **COMMUNICATIONS ACT OF 1934** 

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MOTION OF COMMISSION STAFF FOR AN ORDER ACCEPTING ALLTEL'S RELINOUISHMENT OF ITS ETC STATUS IN ARIZONA

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On May 19, 2003, Alltel Communications, Inc. ("Alltel") filed an application with the Commission for designation as an Eligible Telecommunications Carrier ("ETC"). On November 11, 2004, after a lengthy contested case hearing, the Commission issued Decision 67403 which granted Alltel's application conditioned upon the Company's compliance with certain conditions.

Not long after Decision 67403 issued, Alltel filed a letter with the Commission declining its designation. In addition, Alltel believing it had relinquished its designation, did not comply with any of the conditions contained in the Commission's Order. Recently, Alltel filed a letter with Utilities Division Director Ernest Johnson asking to withdraw its earlier letter relinquishing its ETC status.

Staff requested that a procedural conference be convened to discuss Alltel's letter and a process for resolving the issues raised by Alltel's letter. A procedural conference was held on October 20, 2006, at which Alltel, Commission Staff and the Arizona Local Exchange Carriers Association ("ALECA") were present. Staff's position at the procedural conference was that Alltel's letter in and of itself may not have been sufficient to constitute relinquishment by Alltel of its

Since Alltel's original application was filed, Alltel merged with Western Wireless. Western Wireless continues to operate, however, as a separate subsidiary of Alltel. Western Wireless has a separate application pending with the Commission for ETC designation.

designation. Absent a Commission order approving Alltel's relinquishment, it is Staff's position that the designation likely still remained in effect. This interpretation is supported by the language of 47 U.S.C. Section 214(e)(4), although Staff recognizes that a different interpretation could also be reached since Alltel had not yet begun serving customers.

Notwithstanding the issue of whether the letter by itself was sufficient to constitute relinquishment by Alltel of its designation, Alltel's ETC status was conditioned upon its meeting certain conditions set forth in Decision 67403. Because the designation was conditioned upon compliance, Alltel's failure to comply with the conditions in the timeframes set forth were enough in Staff's opinion to nullify the designation. Alltel essentially "relinquished" its designation by not complying with the conditions precedent set forth in the Order.

Alltel's position at the hearing was that it had been advised by Commission Legal Staff in 2004 that the letter would be sufficient to achieve relinquishment of its ETC designation. It further stated that it acted in good faith based upon those conversations and that its actions should not be interpreted as willful noncompliance with a Commission Order. It agreed with Staff, however, that from a process perspective, given the number of legal and other issues surrounding "resuscitating" its old designation, it would probably be better to agree to relinquishment of its old designation, and simply file a new application.

ALECA, an intervener in this case, was not opposed to the disposition of Alltel's ETC status in the manner discussed at the hearing and described above.

1 Staff, therefore, requests that the Commission enter an order formally recognizing Alltel's 2 relinquishment of its ETC status in Arizona. 3 4 RESPECTFULLY SUBMITTED this 1<sup>st</sup> day of November, 2006. 5 6 Maureen A. Scott, Senior Staff Counse 7 Legal Division Arizona Corporation Commission 8 1200 West Washington Street Phoenix, Arizona 85007 9 (602) 542-3402 10 Original and thirteen (13) copies of the foregoing filed this 11 1<sup>st</sup> day of November, 2006 with: 12 **Docket Control** Arizona Corporation Commission 13 1200 West Washington Street Phoenix, Arizona 85007 14 Copy of the foregoing mailed this 15 1<sup>st</sup> day of November, 2006 to: 16 Michael W. Patten Roshka DeWulf & Patten, PLC 17 One Arizona Center 400 East Van Buren Street, Suite 800 18 Phoenix, Arizona 85004 Attorneys for Alltel Communications, Inc. 19 John Hayes, General Manager 20 Table Top Telephone Company, Inc. 600 North Second Avenue 21 Ajo, Arizona 85321 22 Jeffrey W. Crockett Snell & Wilmer 23 One Arizona Center Phoenix, Arizona 85004-2202 24 Attorneys for Arizona Telephone Company and Arizona Local Exchange Carriers Association 25 Philip R. Schenkenberg, Esq. 26 Briggs & Morgan 2200 IDS Center 27 St. Paul, MN 55402

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